

AN ACT

relating to the eligibility of land secured by a home equity loan to be designated for agricultural use for ad valorem tax purposes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 23.42(a), Tax Code, is amended to read as follows:

(a) An [~~Except as provided by Subsection (a-1), an~~] individual is entitled to have land he owns designated for agricultural use if, on January 1:

(1) the land has been devoted exclusively to or developed continuously for agriculture for the three years preceding the current year;

(2) the individual is using and intends to use the land for agriculture as an occupation or a business venture for profit during the current year; and

(3) agriculture is the individual's primary occupation and primary source of income.

SECTION 2. Section 23.42(a-1), Tax Code, is repealed.

SECTION 3. This Act takes effect January 1, 2020.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 1254 was passed by the House on April 3, 2019, by the following vote: Yeas 146, Nays 1, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1254 was passed by the Senate on April 25, 2019, by the following vote: Yeas 30, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor